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## House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Ms. HIRONO).

### DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,

June 18, 2007.

I hereby appoint the Honorable MAZIE K. HIRONO to act as Speaker pro tempore on this day.

NANCY PELOSI,

*Speaker of the House of Representatives.*

### MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

### REGRETTABLE REMITTANCES

Mr. STEARNS. Madam Speaker, the immigration problem has been a topic of contentious debate for years now, with few results. The influx, both legal and illegal, of immigrants from Mexico to North America numbers at a minimum about 500,000 people a year. It is clear that the majority of these immigrants are coming to our country for the better wages to provide for their families. And this is the heart of the problem. The Mexican economy is continually stunted in its growth by fiscal

mismanagement, corruption, and a perpetual dependence upon foreign aid and remittances. Mexico must make tough decisions and get its economy in shape. Until then, Madam Speaker, we will continue to face massive immigration from the south.

While we are painfully aware of the problems illegal immigration is causing our society, consider what it is doing to Mexico in the long run. The massive immigration is draining many villages across Mexico of their important labor pool. Families are separated while the husbands and fathers choose to cross our borders to get better lives for themselves and for their families. Mexico is slow in reforming their economic policies, in part perhaps because of the influx of money from the remittances from the United States that enables them to continue their unhealthy policies.

Let me explain. The money sent in the form of remittances amounted to about \$23 billion in 2006, according to the Bank of Mexico, the country's central bank. That amount is up almost sevenfold in a dozen years. As that number has grown, the fee for remitting money has dropped from an average of about 9.2 percent in 1999 to just about 3 percent this year, according to Bancomer, a Mexican bank.

Sending money back to Mexico has become cheaper partly because the amounts have become bigger. It was about \$290 on average 8 years ago, and now is up to over \$350. More importantly, according to the Bank of Mexico, over 90 percent of remittances are now sent by electronic wire transfer compared with only 50 percent in 1995. In rural poor communities in Mexico, even the 3 percent transaction fee is a huge chunk cut out of a remittance check. That is why the Bank of Mexico and America's Federal Reserve are running a program called Directo a Mexico, or FedACH International Mexico Service, to cut the cost further for these folks.

In this program, people receive an overnight transfer from an American bank account to a Mexican one. The two central banks act as middlemen, taking a cut of about 67 cents no matter what the size of the transaction. According to Elizabeth McQuerry of the Federal Reserve, banks then typically charge \$2.50 to \$5 to transfer about \$350. In total, this new program cuts the costs of remittances by at least half. In America, 200 banks are now signed up for this service compared with just six that signed up when it was initiated in 2004. So far, the program is just beginning, handling about 27,000 transactions a month. However, another point of serious concern is that about 26,000 of which are Social Security payments made by the American government to beneficiaries in Mexico.

One kink in the program was that most of Mexico's poor, who are often the intended recipients of the funds, do not have bank accounts to pay them into. So to ensure that these funds can still get to Mexico, they developed another program, run by Bansefi, a Mexican government bank, that allows people in America to open bank accounts for their relatives in Mexico. Their relatives can then use these accounts to withdraw the money deposited through the remittance program.

Madam Speaker, another question is, do the legal and illegal immigrants themselves have accounts to send money from? Statistics indicate as many as 70 percent do, according to a recent report by the Bank of Mexico. This is largely because hundreds of American banks, eager for deposits, will happily open accounts for people carrying only a Mexican consular identity card, rather than requiring official United States Government identification. This allows people without officially sanctioned rights to be in this country to send money out of it. As a result, the Mexican bank has seen rapid growth, with 3.4 million accounts

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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